

SENATE RECORD VOTE ANALYSIS

104th Congress
2nd Session

Vote No. 28

March 12, 1996, 5:35 p.m.
Page S-1832 Temp. Record

OMNIBUS APPROPRIATIONS/Technology Spending Increases

SUBJECT: Balanced Budget Downpayment Act, II . . . H.R. 3019. Hollings amendment No. 3474 to the Hatfield modified substitute amendment No. 3466.

ACTION: AMENDMENT REJECTED, 47-52

SYNOPSIS: As introduced, H.R. 3019, the Balanced Budget Downpayment Act, II, will make rescissions and will provide appropriations for fiscal year 1996 for the five regular appropriations bills that have not yet been signed into law (three of those bills have been vetoed, one has been stalled by a Senate Democratic filibuster on its conference report, and one has been stalled by a Senate Democratic filibuster against even beginning its consideration).

The Hatfield modified substitute amendment contains the text of S. 1594, as reported, which is the Senate's version of the bill. The amendment would increase spending by \$1.2 billion over the House-passed amount, and would create a \$4.8 billion contingency fund to accommodate part of the additional \$8 billion in spending requested by President Clinton (funds would not be released unless offsets were identified and enacted; President Clinton did not ask for or identify any means of paying for his increased spending proposals). As amended, the contingency fund was reduced due to increased education spending with offsets (see vote No. 27).

The Hollings amendment would earmark \$23 million of the funds in Title I for the Education Department's Technology Learning Challenge Program, and would increase funding from the level provided in this bill for 4 other technology programs, as follows: the Advanced Technology Program would receive a \$300 million increase (the bill will provide \$0, though in Title IV, which will provide funding conditioned upon the enactment of offsets, \$235 million will be made available to support existing awards); the Telecommunications and Information Infrastructure Assistance Program would receive a \$32 million increase; the Technology Administration would receive a \$4.5 million increase; and the Environmental Technology Initiative would receive a \$62 million increase. To offset the cost of this additional \$398.5 million in spending, the amendment would enact provisions to improve the Federal Government's ability to collect delinquent debts, including by giving the Government authority to reduce Federal payments (such as Social Security benefits) to individuals who owe money, to dock the pay of Federal employees who owe money, and to use credit bureaus and debt collection agencies to collect debts. Further, the amendment would designate all the spending in this

(See other side)

YEAS (47)			NAYS (52)			NOT VOTING (1)	
Republicans (2 or 4%)	Democrats (45 or 98%)		Republicans (51 or 96%)	Democrats (1 or 2%)		Republicans (0)	Democrats (1)
Burns	Akaka	Johnston	Abraham	Helms	Feingold		Breaux- ²
Jeffords	Baucus	Kennedy	Ashcroft	Hutchison			
	Biden	Kerrey	Bennett	Inhofe			
	Bingaman	Kerry	Bond	Kassebaum			
	Boxer	Kohl	Brown	Kempthorne			
	Bradley	Lautenberg	Campbell	Kyl			
	Bryan	Leahy	Chafee	Lott			
	Bumpers	Levin	Coats	Lugar			
	Byrd	Lieberman	Cochran	Mack			
	Conrad	Mikulski	Cohen	McCain			
	Daschle	Moseley-Braun	Coverdell	McConnell			
	Dodd	Moynihan	Craig	Murkowski			
	Dorgan	Murray	D'Amato	Nickles			
	Exon	Nunn	DeWine	Pressler			
	Feinstein	Pell	Dole	Roth			
	Ford	Pryor	Domenici	Santorum			
	Glenn	Reid	Faircloth	Shelby			
	Graham	Robb	Frist	Simpson			
	Harkin	Rockefeller	Gorton	Smith			
	Heflin	Sarbanes	Gramm	Snowe			
	Hollings	Simon	Grams	Specter			
	Inouye	Wellstone	Grassley	Stevens			
		Wyden	Gregg	Thomas			
			Hatch	Thompson			
			Hatfield	Thurmond			
				Warner			

EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

amendment as emergency spending, and thus off-budget, contingent upon the President also declaring that it is emergency funding.

Those favoring the amendment contended:

The Hollings amendment would make an investment in America's future by promoting the development of technologies to provide the jobs of tomorrow and to protect the environment at a lower cost. In total, the amendment would provide \$400 million in additional funding that would result in billions of dollars of benefits in the future. Further, instead of borrowing money in order to reap these future benefits, the Hollings amendment would responsibly offset the cost now by going after tax cheats.

The most important program that would receive additional funding from the amendment is the Advanced Technology Program (ATP). As the bill is currently written, no money will be provided for this critical program, though a limited amount will be provided for existing contracts if an offset is found. The ATP supports a vital mission of the Federal Government--the promotion of long-term economic growth. It gives matching funds to businesses for them to take emerging technologies and demonstrate that practical applications are possible. Once that demonstration is made, private investors are willing to put up the money to develop products. Every project is selected by a non-partisan panel of experts, the Government puts up only half the money for the projects, and more than half the awards go to small firms or joint ventures led by small firms. Funding goes only for proof-of-concept--the purpose is not to develop new products, but to prove that it is possible to develop new products, and thus attract investment.

Technological advances are being made at a rapid pace, and those companies that are able to develop and exploit those advances have an advantage over their competitors. Our foreign competitors recognize this fact, and are consequently pumping billions of dollars into research and development to help their domestic industries. In many cases, American advances in areas like superconductivity have only led to benefits for foreign companies, because their governments provided money to develop commercial applications while the United States Government and private investors refused to put up money for American product development.

Until recently the ATP enjoyed bipartisan, scientific, and industry support. That support evaporated due to an unfortunate comment a couple of years ago by a Democratic Party official that left the impression that the Clinton Administration was using this program for political purposes in California and elsewhere. This comment was (and is) untrue. We know it is untrue because it is impossible--no political official has any authority over the award of grants. The large number of grants that have been given in States such as Texas and Pennsylvania, which have only Republican Senators and Governors, should prove this fact to our colleagues.

Another reason for supporting funding for this program is out of basic fairness for existing grantees. This bill, as currently drafted, will pull the rug out from under numerous companies that in good faith have entered into contracts with the United States Government to develop particular new technologies. Equipment has been bought, and projects are underway. We thank Chairman Hatfield for putting some funding for existing contracts in the contingent section of this bill, but that funding is hardly guaranteed. We owe more to those companies that made investments on the assurance that the Federal Government would assume half the costs.

The other technology programs funded by the Hollings amendment, though not as large, are also meritorious for generally the same reasons. The United States must fight to stay ahead of the world in technology or it will inevitably fall behind and suffer economically. To stay ahead, it must be willing to invest. The Hollings amendment provides a minimal amount of funds for investment. We urge our colleagues to give it their approval.

Those opposing the amendment contended:

The Hollings amendment would provide corporate welfare. It would have the Government pick and choose those private sector technology projects that it thought were the most likely to become commercial successes and it would give money to corporations to develop them. Corporations that could not convince government panels that their ideas were worth funding would have to make do with relying on the free market to raise funds. Some Senators are convinced that the Government is capable of finding experts who can discern which new technologies will be feasible and marketable. We remain convinced, however, that millions of investors acting in their own interests will do a much better job of identifying those new technologies that are worthy of investment. History has shown that central government control of economies, including control of investment strategies, simply does not work. Our colleagues tell us about subsidized technologies that have subsequently found market niches--they do not tell us about the enormous failures, though, such as the Synfuels Program, nor can they show that their programs to push technology in one direction did not dry up funds for other projects that could have yielded greater returns for Americans, if they had not distorted the market.

Our colleagues' comparison between investment in defense technology and investment in our competitive marketplace is invalid. In defense, our overriding goal is to make sure that America's security interests are protected. We must invest in new technologies, and gamble on winners and losers, in order to push technology beyond where the free market would take it. This practice is costly and inefficient, but it is necessary to maintain a qualitative edge. The American people, and American businesses, pay for this costly practice in taxes. We can support market-distorting investments to protect the country, but we cannot support them simply to give hundreds of millions of dollars to some corporate interests who are in competition with other corporate interests that will not receive a dime of assistance. We therefore strongly urge the rejection of the Hollings amendment.